

## House Republican Press Release

May 1, 2006

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### Rep. Giuliano Supports 2006 – 2007 Budget Proposal



The \$16 billion 2006 – 2007 state budget approved Sunday by the state House of Representatives is fiscally responsible and will help stimulate economic growth and job creation in Connecticut, said state Representative Marilyn Giuliano, who voted for the spending package.

“The budget we approved Sunday is a compromise that was worked out after many hours of hard bargaining between the Governor’s office and Republican and Democrat leaders in the state House and Senate,” said Representative Giuliano, R-23<sup>rd</sup> District. “It cuts about \$100 million from the budget approved recently by the Democrat-controlled Appropriations Committee. It exceeds the governor’s original proposal by only \$16 million and it stays below the state’s constitutional spending cap.”

“Property taxpayers in Lyme, Old Lyme, Old Saybrook and Westbrook receive some badly needed tax relief as well,” Representative Giuliano said. “The budget increases the property tax credit property owners can take to reduce their state income tax liability from \$350 for the 2005 tax year to \$500 for the 2006 tax year. With property values in shoreline communities on the rise, the increase in the tax credit to \$500 will be especially welcome to the residents of the 23<sup>rd</sup> District.”

“The budget also makes prudent use of the state surplus, which now is projected to amount to almost \$700 million,” Representative Giuliano said. “Under this budget, about \$190 million from the surplus is contributed to the Rainy Day Fund, bringing the total available for use in emergencies to about \$800 million. That contribution is significantly more than the \$39 million the Democrats had proposed. In addition, the budget takes \$246 million from the surplus and puts it in the under-funded teachers’ retirement fund.”

“The 15 percent corporate income tax surcharge for the 2007 income year also is eliminated under this budget,” Representative Giuliano said. “That is good news for the state’s economy. It will mean Connecticut companies will be able to use more of their profits to expand here and hire new employees. It also sends the right message to out-of-state firms interested in moving to or expanding their operations in New England. It tells them that we are trying to improve the business climate in Connecticut and are adopting business-friendly policies to make our state more attractive to new employers.”